

EQUIPMENT LEASE AGREEMENT

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EQUIPMENT LEASE AGREEMENT dated as of July 2, 1973
 between John Duncan RECORDATION NO. Filed & Recorded
 of New York, New York
 and John W. James
 of New York, New York **OCT 24 1973 - 9 00 AM**
 not in their individual capacities but solely as trustees of the INTERSTATE COMMERCE COMMISSION
 collectively called "Lessor") under the Trust Agreement (as such
 term is hereinafter defined), and Reagent Chemical and Research, Inc.
 a New Jersey corporation herein called
 "Lessee");

WITNESSETH:

WHEREAS, Lessee desires Lessor to acquire the Equipment from Seller and lease the Equipment to Lessee and, subject to the terms and conditions hereinafter set forth, Lessor is willing to do so;

NOW, THEREFORE, IT IS AGREED:

1. Exhibit A. The term "Exhibit A" shall mean the Additional Terms And Conditions Of Equipment Lease Agreement attached hereto as Exhibit A, the terms and conditions of which are hereby incorporated in, and made a part of, this Agreement to the same extent as if fully set forth herein. The terms used in Exhibit A which are defined in this Agreement shall have the same meanings as are provided therefor herein; the terms used in this Agreement which are defined in Exhibit A shall have the same meanings as are provided therefor in Exhibit A. Each reference herein to "this Agreement" and like words shall include Exhibit A.

2. Acquisition, Delivery and Acceptance of the Equipment.

(a) Either: (i) Lessee has heretofore ordered the Equipment pursuant to one or more Purchase Orders (in form and substance satisfactory to Lessor), a true, correct and complete copy of each of which has been furnished to Lessor, and Lessee has delivered, or shall forthwith deliver to Lessor, an assignment of its rights under each such Purchase Order together with the consent of Seller with respect thereto (each of which shall be in form and substance satisfactory to Lessor); or (ii) Lessor, at the request of Lessee and contemporaneously with the execution and delivery of this Agreement, has ordered the Equipment pursuant to one or more Purchase Orders, a copy of each of which has been furnished to Lessee and which Lessee, by its execution and delivery of this Agreement, approves.

(b) Lessor shall have no obligations under any Purchase Order other than to pay the purchase price for the Equipment covered thereby in accordance with the provisions of this Agreement; Lessee shall be responsible for the performance of all other obligations (other than those of any Seller) under each Purchase Order. Lessor shall have no responsibility or liability to Lessee or any other Person for the adequacy or accuracy of any specifications set forth in any Purchase Order or for the failure on the part of any Seller to accept any Purchase Order or to make delivery of any Equipment covered thereby in accordance with the terms thereof.

(c) Simultaneously with the acquisition of any Equipment by Lessor, Lessee shall accept delivery of such Equipment and shall execute and deliver to Lessor one or more Acceptance Certificates relating to such Equipment.

(d) Upon the satisfaction of the conditions set forth in this Section and in Section 5: (i) Lessor shall acquire the Equipment for a purchase price not to exceed Maximum Acquisition Cost; and (ii) upon receipt by Lessor of Seller's invoice for any Equipment (approved in writing by Lessee), Lessor shall remit to Seller the amount thereof provided that (x) such amount, together with any amounts previously paid in respect of the Equipment, does not exceed Maximum Acquisition Cost and (y) Lessor shall have agreed in writing with the manner in which invoices of Seller are to be submitted and paid.

(e) In the event that Lessee shall fail for any reason to (i) forthwith deliver to Lessor the assignment of each Purchase Order (including each Seller's consent thereto), if required by this Section, (ii) accept delivery of any Equipment, (iii) execute and deliver to Lessor an Acceptance Certificate relating to any Equipment or (iv) approve an invoice relating to any Equipment, Lessee shall, on demand by Lessor, forthwith pay Lessor any amounts theretofore paid or then owing by Lessor to any Seller or to any other Person in respect of the Equipment, this Agreement, any Purchase Order or otherwise, together with a handling charge in the amount specified in Exhibit A. Upon such payment Lessee shall become (i) subrogated to Lessor's claims (if any) against each Seller and (ii) entitled to the Equipment as-is-where-is without recourse and without representations, warranties or agreements of any kind and Lessor shall thereupon be released from all of its obligations hereunder.

(f) The delivery of any Equipment to Lessee and the delivery to Lessor of an Acceptance Certificate with respect thereto shall constitute Lessee's acknowledgment that: (i) Lessee has fully inspected such Equipment; (ii) such Equipment is in good condition and repair, is of the manufacture, design and specifications selected by Lessee and is suitable for Lessee's purposes; (iii) such Equipment is in full compliance with this Agreement and Lessee has accepted such Equipment hereunder; and (iv) Lessor has made no representation or warranty of any kind with respect to such Equipment.

(g) Lessee shall: (i) pay all costs and expenses of freight, packing, insurance, handling, storage, shipment and delivery of the Equipment to the extent that the same have not been included in Acquisition Cost; and (ii) furnish, at its own cost and expense, such labor, equipment and other facilities and supplies as may be required to install and erect the Equipment, which installation and erection shall be in accordance with the specifications and requirements of each Seller.

3. Representations and Warranties of Lessor.

(a) LESSOR MAKES NO REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, AS TO THE TITLE OR OWNERSHIP, CONDITION, QUALITY, DURABILITY, SUITABILITY, ADEQUACY, MERCHANTABILITY, FITNESS FOR USE OR FOR A PARTICULAR PURPOSE, DESIGN, OPERATION, USE OR PERFORMANCE OF ANY EQUIPMENT OR ANY OTHER REPRESENTATION OR WARRANTY OF ANY KIND, EXPRESS OR IMPLIED, WITH RESPECT TO ANY EQUIPMENT or otherwise hereunder except that Lessor represents and warrants that Lessor has the power and authority to execute and carry out this Agreement.

(b) Nothing contained in this Section shall be deemed to limit Lessee from availing itself of any representations, warranties or agreements of any Seller. Lessee acknowledges and agrees that, except as otherwise specifically provided herein, Lessor shall have no responsibility or liability to Lessee or any other Person with respect to any of the following: (i) any liability, loss or damage caused or alleged to be caused directly or indirectly by any Equipment or by any inadequacy thereof or deficiency or defect therein or by any other circumstance in connection therewith; (ii) the use, operation or performance of any Equipment or any risks relating thereto; (iii) any interruption of service, loss of business or anticipatory profits or consequential damages; or (iv) the delivery, installation, erection, testing, programming, adjusting, operation, servicing, maintenance, repair, improvement or replacement of any Equipment.

4. Representations and Warranties of Lessee. In order to induce Lessor to enter into this Agreement and to lease the Equipment to Lessee, Lessee makes the following representations and warranties which shall survive the execution and delivery of this Agreement:

(a) Lessee: (i) is a duly organized and validly existing corporation in good standing under the laws of the State of its incorporation and has the corporate power and authority to own its property and assets and to transact the business in which it is engaged; (ii) is duly qualified or licensed as a foreign corporation in good standing in every jurisdiction (wherein the Equipment will be located) in which the nature of the business in which it is engaged makes such qualification or licensing necessary; and (iii) has the corporate power and authority to execute, deliver and carry out the terms and provisions of this Agreement and each of the other instruments and agreements (the "Other Agreements") delivered in connection with this Agreement.

(b) Neither the execution and delivery of this Agreement or any of the Other Agreements, nor the consummation of the transactions herein or therein contemplated, nor compliance with the terms and provisions hereof or thereof, will contravene any provision of law, statute, rule or regulation to which Lessee is subject or any judgment, decree, franchise, order or permit applicable to Lessee, or will conflict or will be inconsistent with, or will result in any breach of, any of the terms, covenants, conditions or provisions of, or constitute a default under, or result in the creation or imposition of any lien, security interest, charge or encumbrance upon any of the property or assets of Lessee pursuant to the terms of, any indenture, mortgage, deed of trust, agreement or other instrument to which Lessee is a party or by which it is bound or to which it is subject, or violate any provision of the Certificate of Incorporation or By-Laws of Lessee.

(c) This Agreement has been duly authorized, executed and delivered by Lessee and constitutes the legal, valid and binding obligation of Lessee enforceable in accordance with its terms. Each of the Other Agreements will be, at the time of the delivery thereof, duly authorized, executed and delivered by Lessee and constitute the legal, valid and binding obligations of Lessee enforceable in accordance with their respective terms.

(d) No approval, authorization or consent of any governmental or public body or authority is necessary to enable Lessee to execute, deliver and carry out the terms and provisions of this Agreement and the Other Agreements except those which have been duly obtained and certified copies thereof delivered to Lessor.

(e) Any Equipment acquired by Lessor pursuant to the Purchase Order will be free and clear of any claims, mortgages, pledges, liens, security interests or other charges or encumbrances of any kind in favor of any Person other than Lessor.

(f) Either: (i) Lessee is the record owner of the real property constituting the Equipment Location and there is no mortgage, lien or other encumbrance existing with respect to such real property; or (ii) there has been duly executed and delivered to Lessor a Real Property Waiver by each owner, mortgagee, lienor or other encumbrancer of such real property.

(g) Lessee's chief place of business is located in the State specified in Exhibit A.

5. Conditions Precedent to Lessor's Obligations. The obligations of Lessor to acquire the Equipment from Seller and to lease the Equipment to Lessee are subject, at the time of the entering into by Lessor with Seller of any commitment to acquire the Equipment and at the time of each delivery of any Equipment to Lessee and at the time of each payment by Lessor in respect of Acquisition Cost of any Equipment (all except as hereinafter indicated), to the satisfaction of the following conditions:

(a) At or prior to the earliest of any such times and thereafter upon the request of Lessor, Lessor shall have received from counsel for Lessee satisfactory to Lessor, a favorable opinion, addressed to Lessor, to the effect stated in Subsections (a) through (e) of Section 4 and covering such other matters incident to the transactions herein contemplated as Lessor may request.

(b) There shall exist no condition, event or act which would constitute an Event of Default and no condition, event or act which, with the giving of notice or lapse of time, or both, would constitute such an Event of Default.

(c) All representations and warranties by Lessee contained herein or otherwise made in writing in connection herewith shall be true and correct with the same effect as though the representations and warranties had been made on and as of the date of the entering into of such commitment or the date of such delivery or the date of such payment, as the case may be.

(d) All corporate and legal proceedings and all documents in connection with the transactions contemplated

by this Agreement shall be satisfactory in form and substance to Lessor, and Lessor shall have received all information and copies of all documents, including records of corporate proceedings, which Lessor may reasonably have requested in connection therewith, such documents where appropriate to be certified by proper corporate or governmental authorities.

(e) The applicable law or the applicable rules or regulations of any governmental or public body or authority shall not: (i) prohibit Lessor from acquiring the Equipment and/or leasing same to Lessee; or (ii) after the date hereof, have been changed so as to impose doing business restrictions or other requirements upon Lessor which Lessor shall have determined to be too burdensome.

(f) The additional conditions (if any) set forth in Exhibit A.

6. Lease Term. The term of the Lease of any Equipment shall commence and terminate in the manner provided in Exhibit A; provided, however, (i) the term of the Lease of any Equipment may be earlier terminated in the manner specified in certain other provisions of this Agreement and (ii) the obligations of Lessee hereunder shall commence as of the date hereof.

7. Rent; Net Lease.

(a) Lessee shall pay Lessor rent for the Equipment in the amounts, at the times, in the manner and as otherwise provided in Exhibit A. To the extent legally enforceable, Lessee shall pay Lessor interest at the Premium Rate on any installment of rent the payment of which is more than 15 days overdue.

(b) All payments of rent and other payments to be made by Lessee to Lessor pursuant to this Agreement shall be paid to Lessor in lawful money of the United States in New York Clearing House funds at the place specified in or pursuant to Exhibit A.

(c) Lessee's obligation to make rent payments and to make the other payments pursuant to this Agreement shall be absolute and unconditional and shall not be affected by any circumstance whatsoever, including (without limitation) any (i) set off, counterclaim, recoupment, defense or other right which Lessee may have against Lessor, the Seller or any other Person for any reason whatsoever; (ii) defect in the title, condition, design, operation, or fitness for use of, or any damage to or loss or destruction of, any Equipment, or any interruption or cessation in the use or possession thereof by Lessee for any reason whatsoever; or (iii) insolvency, bankruptcy, reorganization or similar proceedings by or against Lessee. Each payment of rent or other payment made by Lessee hereunder shall be final and Lessee will not seek to recover all or any part of such payment from Lessor for any reason whatsoever. Lessee hereby waives, to the extent permitted by applicable law, any and all rights which it may now have or which at any time hereafter may be conferred upon it, by statute or otherwise, to terminate, cancel, quit or surrender this Agreement except in accordance with the express terms hereof. If for any reason whatsoever this Agreement shall be terminated in whole or in part by operation of law or otherwise (except as specifically provided herein), Lessee nonetheless agrees to pay to Lessor an amount equal to each rent payment at the time such payment would have become due and payable in accordance with the terms hereof had this Agreement not been terminated in whole or in part.

(d) The lease of Equipment hereunder is a net lease and the rent shall be absolutely net to Lessor, and all costs and expenses and obligations of every kind and nature relating to the Equipment shall be paid by Lessee, except as otherwise expressly provided herein.

8. Title of Lessor; Possession and Use of the Equipment; Subletting, Liens, Assignment, etc. Prohibited.

(a) Title to the Equipment shall at all times remain in Lessor. Lessee, at its own cost and expense, shall protect and defend the title of Lessor.

(b) Lessee shall have no rights, interests or property in the Equipment except the use and quiet enjoyment thereof as Lessee in accordance with the terms and provisions of this Agreement. Unless an Event of Default shall have occurred and be continuing, Lessee may hold, possess and use the Equipment in the ordinary course of the regular business conducted by Lessee.

(c) The Equipment shall be located at the Equipment Location and shall not be removed therefrom without the prior written consent of Lessor.

(d) Without the prior written consent of Lessor, Lessee shall not (i) sublease, part with possession of, or otherwise transfer or dispose of, any Equipment; (ii) contract, create, incur, assume or suffer to exist any claim, mortgage, pledge, lien, security interest or other charge or encumbrance of any kind upon or with respect to any Equipment or any of its rights under this Agreement; or (iii) sell, assign, transfer or otherwise dispose of any of its rights under this Agreement.

(e) Upon the request of Lessor at any time, Lessee, at its own cost and expense, shall cause the Equipment to be legibly marked in a reasonably prominent location with a plate, disk or other marking showing Lessor's ownership of the Equipment.

(f) Lessee shall comply fully with all statutes, ordinances and regulations relating to the use and operation of the Equipment and with all conditions and provisions of any policies of insurance relating to the Equipment and, if such compliance requires changes or additions to be made on or to any Equipment, such changes and additions shall be made by Lessee at its own cost and expense.

(g) Lessee shall (i) cause the Equipment to be used and operated only by personnel authorized by Lessee and (ii) use every reasonable precaution to prevent loss or damage to the Equipment.

9. Improvement and Repair of the Equipment. Lessee shall pay all costs, expenses, fees and charges in connection with the use, operation and maintenance of the Equipment except only those that are included by Lessor in the determination of Acquisition Cost. Lessee, at its own cost and expense, shall keep the Equipment in good repair, condition and working order and shall furnish any and all labor, parts and other servicing required for that purpose. Except as required by Section 8 (f), Lessee shall not make any material alterations to any Equipment without the prior written

consent of Lessor. All parts, attachments, accessories, equipment and repairs at any time made to or placed upon any Equipment and all replacements for any Equipment shall immediately become the property of Lessor and shall be deemed to be incorporated in the Equipment and subject to the terms and provisions of this Agreement as if originally leased hereunder.

10. Insurance. Lessee shall at all times carry and maintain on the Equipment, at its own cost and expense, insurance in such amounts, against such risks (including, without limitation, public liability insurance for bodily injury and property damage), in such form and with such insurance companies as shall be satisfactory to Lessor from time to time. Lessee shall pay the premiums therefor and deliver to Lessor the original policies of insurance (or other evidence satisfactory to Lessor) of such insurance coverage. The proceeds of insurance payable as a result of loss of or damage to any Equipment shall be applied, in the sole discretion of Lessor, toward either (i) the replacement, restoration or repair of the Equipment which may be lost, stolen, destroyed or damaged or (ii) payment of the obligations of Lessee hereunder. Lessee hereby irrevocably appoints Lessor as Lessee's attorney-in-fact to make claim for, receive payment of, and execute and endorse all instruments, documents, checks or drafts received in payment for loss or damage under any insurance policy.

11. Taxes, Indemnification and Expenses.

(a) Lessee shall indemnify, protect, save and keep harmless Lessor from and against any and all liabilities, obligations, losses, damages, penalties, claims, actions, suits, costs, expenses and disbursements of whatsoever kind and nature, including (without limitation) legal fees and expenses, imposed on, incurred by or asserted against Lessor in any way relating to or arising out of this Agreement or any of the Other Agreements or the Equipment including (without limitation) the manufacture, purchase, acceptance or rejection under the Purchase Order, ownership, delivery, possession, use, operation, condition, performance, suitability, durability, quality, adequacy, maintenance, registration, loss, seizure, requisition, confiscation, lease, sale, return or other disposition of any Equipment (including, without limitation, latent and other defects, whether or not discoverable by Seller, Lessor or Lessee, and any claim for patent, trademark or copyright infringement).

(b) Lessee shall indemnify, protect, save and keep harmless Lessor from and against any and all license and registration fees and all sales, use, personal property, stamp or other taxes, levies, imposts, duties, charges or withholdings of any nature (together with any penalties, fines or interest thereon) imposed against Lessor, the payment of any moneys due Lessor hereunder, Lessee or any Equipment by any federal, state or local government or taxing authority upon or with respect to any Equipment, or upon the purchase, ownership, delivery, leasing, possession, use, operation, return or other disposition thereof, or upon the rentals, receipts or earnings arising therefrom, or upon or with respect to this Agreement or any of the Other Agreements (excluding, however, federal or New York State taxes on, or measured by, the net income of Lessor), unless, and to the extent only, that any such tax, levy, impost, duty, charge or withholding is being contested by Lessee in good faith and by appropriate proceedings so long as such proceedings do not involve any danger of the sale, forfeiture or loss of any Equipment or any interest therein. In case any report or return is required to be made with respect to any obligation of Lessee under this Subsection or arising out of this Subsection, Lessee will either make such report or return in such manner as will show the ownership of the Equipment in Lessor and send a copy of such report or return to Lessor or will notify Lessor of such requirement and make such report or return in such manner as shall be satisfactory to Lessor. Lessee shall have no obligation under this Subsection with respect to any taxes to the extent that the same have been included by Lessor in the determination of Acquisition Cost.

(c) The indemnities contained in this Section shall (i) apply equally to any Equipment not yet delivered hereunder; and (ii) continue in full force and effect notwithstanding the expiration or other termination of this Agreement or any of the Other Agreements. For the purpose of this Section, the term "Lessor" shall include (i) its directors, officers and employees and any agents acting for it or them and (ii) its successors and assigns. In the event that Lessee is required to make any payment under this Section, Lessee shall pay the Person indemnified an amount which, after deduction of all taxes required to be paid by said Person in respect of the receipt thereof under the laws of the United States or of any state or of any political subdivision thereof (after giving credit for any savings in respect of any such taxes by reason of deductions, credits or allowances in respect of the payment of the expense indemnified against and of any other such taxes), shall be equal to the amount of such payment. Lessee's obligations under this Section shall be that of primary obligor irrespective of whether the Person indemnified shall also be indemnified with respect to the same or similar matters under any other instrument or agreement by any person and irrespective of any insurance policies which may be in existence with respect to the same.

12. Loss of or Damage to the Equipment.

(a) No loss of or damage to any Equipment shall impair any obligation of Lessee under this Agreement, which shall continue in full force and effect.

(b) In the event of damage of any kind whatsoever to any Equipment (unless the same is determined by Lessor in its sole discretion to be damaged beyond repair), Lessee, at its own cost and expense, shall place the same in good operating order, repair, condition and appearance.

(c) If any Equipment is determined by Lessor in its sole discretion to be lost, stolen, destroyed, seized, confiscated, rendered unfit for use or damaged beyond repair, Lessee shall pay Lessor therefor, on the rent installment date for such Equipment next following such determination (or, if such determination occurs after the final rent installment date therefor, then on the expiration of the lease of such Equipment), an amount equal to the Stipulated Loss Value (as hereinafter defined) for such Equipment (computed as of such rent installment date). Upon such payment and upon the payment of any unpaid rent due on or before such rent installment date for such Equipment this Agreement shall terminate with respect to such Equipment, and Lessee thereupon shall become entitled to such Equipment as-is-where-is, without recourse and without representations, warranties or agreements of any kind whatsoever. "Stipulated Loss Value" for any Equipment as of any rent installment date shall mean, when used in this Agreement, an amount determined by multiplying Acquisition Cost for such Equipment by the percentage specified in Exhibit C attached hereto opposite such rent installment date.

(d) Lessee shall notify Lessor immediately of any loss, theft, destruction, seizure, confiscation, rendering unfit for use or damage of or to any Equipment and shall keep Lessor informed of all developments arising therefrom including (without limitation) any acts by Lessee relating to the insurance on any Equipment.

13. Surrender of the Equipment. Upon the termination of this Agreement at the end of any term of the lease of any Equipment, Lessee, at its own cost and expense, shall surrender such Equipment to Lessor at the Equipment Location. Lessee shall cooperate with Lessor in effecting removal of such Equipment from Lessee's property. Such Equipment shall be surrendered by Lessee to Lessor in the same operating order, repair, condition and appearance as originally delivered to Lessee, reasonable wear and tear excepted; Lessee shall pay for any repairs necessary to restore such Equipment to such operating order, repair, condition or appearance. Upon such termination, Lessee shall allow Lessor to store such Equipment on Lessee's property for a reasonable period of time in a manner satisfactory to Lessor but at no expense to Lessor.

14. Personal Property. The Equipment is and shall remain personal property irrespective of its use or manner of attachment to real property. Lessee will not cause or permit any Equipment to be attached to real property in such manner that it might become part of such real property without first obtaining the written approval of Lessor.

15. Inspection. At all reasonable times Lessor or its authorized representatives may inspect any Equipment and the books and records of Lessee relating thereto. Lessor shall have no duty to make any such inspection and shall not incur any liability or obligation by reason of not making any such inspection.

16. Lessor's Right to Perform for Lessee. If Lessee fails to make any payment required to be made by it hereunder or fails to perform or comply with any agreement contained herein, Lessor may itself make such payment or perform or comply with such agreement. The amount of such payment and the amount of the reasonable expenses of Lessor incurred in connection with such payment or the performance of or compliance with such agreement (including, without limitation, reasonable attorneys' fees), as the case may be, together with interest thereon at the Premium Rate, shall be payable by Lessee to Lessor upon demand.

17. Further Assurances. Lessee, at its own expense, will promptly and duly execute and deliver to Lessor such further documents and assurances and take such further action (including, without limitation, any filing, recording and/or registration) as may be necessary or advisable or as Lessor may from time to time reasonably request in order to more effectively carry out the intent and purpose of this Agreement and to establish and protect Lessor's title to the Equipment and the ownership rights and remedies created or intended to be created in favor of Lessor hereunder. Lessee hereby irrevocably authorizes Lessor to file at any time and from time to time one or more Financing Statements or Continuation Statements without Lessee's signature indicating Lessor's ownership interest in the Equipment.

18. Events of Default. The following events (each an "Event of Default") shall constitute Events of Default:

(a) Lessee shall fail to make any payment of rent or of any other sum payable by Lessee hereunder within 15 days after the same shall become due; or

(b) Lessee shall fail to perform or observe any other covenant, condition or agreement to be performed or observed by it hereunder and such failure shall continue unremedied for a period of 15 days after written notice thereof by Lessor; or

(c) Any representation or warranty made by Lessee herein or in any document or certificate furnished Lessor in connection herewith or pursuant hereto shall prove to be incorrect at any time in any material respect; or

(d) Any obligation of Lessee for the payment of borrowed money, for the deferred price of property or for the payment of rent or hire under any lease shall not be paid when due, whether by acceleration or otherwise, or shall be declared due and payable prior to the maturity thereof; or Lessee shall suspend or terminate the operations of its business; or Lessee shall become insolvent or bankrupt or make an assignment for the benefit of creditors or consent to the appointment of a trustee or receiver, or a trustee or a receiver shall be appointed for Lessee or for a substantial part of its property without its consent and shall not be dismissed for a period of 60 days; or bankruptcy, reorganization or insolvency proceedings shall be instituted by or against Lessee, and, if instituted against Lessee, shall not be dismissed for a period of 60 days.

19. Remedies. Upon the occurrence of any Event of Default and at any time thereafter so long as the same shall be continuing, Lessor may, at its option, declare this Agreement to be in default, and at any time thereafter, so long as Lessee shall not have remedied all outstanding defaults, Lessor may exercise one or more of the following remedies, as Lessor in its sole discretion shall elect:

(a) Terminate this Agreement upon not less than 5 days notice to Lessee, whereupon Lessee shall, without further demand, as liquidated damages for loss of a bargain and not as a penalty, forthwith pay to Lessor any unpaid rent due on or before the rent installment date next following the termination date (or, if any such rent installment date is on such termination date, then on such date) plus an amount equal to the aggregate Termination Value (as hereinafter defined) for all of the Equipment (computed as of such rent installment date) together with interest at the Premium Rate on such amount from the effective date of termination to the date of actual payment;

(b) Cause Lessee at its expense to return the Equipment to a place designated by Lessor, or Lessor may enter upon the premises where any Equipment is located and take immediate possession of and remove such Equipment by summary proceedings or otherwise, all without liability to Lessor for or by reason of such entry or taking possession, whether for the restoration of damage to property caused by such taking or otherwise;

(c) Sell any or all of the Equipment at public or private sale and with or without notice to Lessee or advertisement, as Lessor may in its sole discretion determine, and Lessee shall forthwith pay to Lessor an amount equal to any unpaid rent due on or before the rent installment date for such Equipment next following the date of such sale (or, if

any such rent installment date is on the date of such sale, then on such date) plus any deficiency between the net proceeds of such sale and the Termination Value for such Equipment (computed as of such rent installment date), together with interest at the Premium Rate on the amount of such deficiency from the date of such sale until the date of actual payment;

(d) Hold, use, operate, lease or keep idle any or all of the Equipment as Lessor in its sole discretion may determine, without any duty to account to Lessee with respect to any such action or inaction or for any proceeds thereof, except that the net proceeds of any such holdings, using, operating or leasing shall be credited by Lessor against any rent accruing after Lessor shall have declared this Agreement to be in default pursuant to this Section; and/or

(e) Rescind this Agreement as to any or all of the Equipment, or exercise any other right or remedy which may be available under applicable law or proceed by appropriate court action to enforce the terms hereof or to recover damages for the breach hereof.

In addition, Lessee shall be liable for the payment of any and all other obligations due hereunder before or after any termination hereof, including, without limitation, all costs and expenses (including, without limitation, reasonable attorneys' fees and disbursements) incurred by reason of the occurrence of any Event of Default and the exercise of Lessor's remedies with respect thereto. No remedy referred to in this Section is intended to be exclusive, but each shall be cumulative and in addition to any other remedy referred to above or otherwise available to Lessor at law or in equity and the exercise or beginning of exercise by Lessor of any one or more of such remedies shall not preclude the simultaneous or later exercise by Lessor of any or all such other remedies; except that satisfaction by Lessee of its obligations under Subsections (a) or (c), as the case may be, with respect to any Equipment shall preclude Lessor from thereafter exercising any other remedy provided by such Subsections (a) or (c) with respect to such Equipment. No waiver by Lessor of any Event of Default hereunder shall in any way be, or be construed to be, a waiver of any future or subsequent Event of Default. "Termination Value" for any Equipment as of any rent installment date shall mean, when used in this Agreement, an amount determined by multiplying Acquisition Cost for such Equipment by the percentage specified in Exhibit D attached hereto opposite such rent installment date.

20. Notices. Unless otherwise expressly specified or permitted by the provisions hereof, all notices, requests, demands or other communications to or upon the respective parties hereto shall be deemed to have been given or made when deposited in the mails, postage prepaid, or, in the case of telegraphic notice, when delivered to the telegraph company, addressed (i) if to Lessee, at the address specified in Exhibit A, or at such other address as Lessee shall from time to time designate in writing to Lessor, or (ii) if to Lessor, at 280 Park Avenue, New York, New York 10017 or at such other address as Lessor shall from time to time designate in writing to Lessee. No other method of giving notice is hereby precluded.

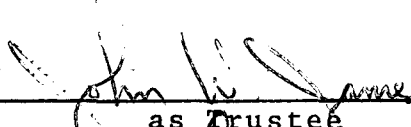
21. Assignment by Lessor. This Agreement, title to the Equipment and/or any rents or other sums due or to become due hereunder may be transferred or assigned by Lessor without notice, and in such event Lessor's transferee or assignee shall have all the rights, powers, privileges and remedies of Lessor under this Agreement.

22. Miscellaneous. Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction. To the extent permitted by applicable law Lessee hereby waives any provision of law which renders any provision hereof prohibited or unenforceable in any respect. This Agreement constitutes the entire agreement between the parties and no term or provision of this Agreement may be changed, waived, discharged or terminated orally, but only by an instrument in writing signed by the party against which the enforcement of the change, waiver, discharge or termination is sought. This Agreement shall constitute an agreement of lease and nothing herein shall be construed as conveying to Lessee any right, title or interest in the Equipment except as a lessee only. The captions in this Agreement are for convenience of reference only and shall not define or limit any of the terms or provisions hereof. This Agreement shall in all respects be governed by, and construed in accordance with, the law of the State of New York, including all matters of construction, validity and performance. This Agreement shall be binding upon and inure to the benefit of Lessor and Lessee and their successors and, subject to Section 8 (d), their assigns. To the extent, if any, that this Agreement constitutes chattel paper (as such term is defined in the Uniform Commercial Code as in effect in any applicable jurisdiction), no security interest in this Agreement may be created through the transfer or possession of any counterpart other than the original counterpart hereof (which shall be the counterpart bearing the legend "This is the original counterpart of the within Agreement" together with the certification of an officer of Lessor to such effect on the signature page thereof).

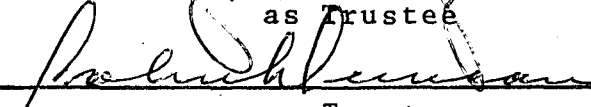
IN WITNESS WHEREOF, Lessor and Lessee have caused this Agreement to be duly executed as of the date first above written.

LESSOR

LESSEE

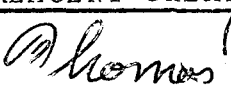


as Trustee



as Trustee

REAGENT CHEMICAL AND RESEARCH, INC.

By  Pres.
(Title)

7194

RECORDATION NO. _____ Filed & Recorded

ADDITIONAL TERMS AND CONDITIONS
OF EQUIPMENT LEASE AGREEMENT

OCT 24 1973 -9 00 AM

INTERSTATE COMMERCE COMMISSION

The following terms and conditions supplement, and are a part of, the Equipment Lease Agreement (the "Agreement") dated as of July 2, 1973 to which this Exhibit A is attached:

1. Definitions. The following definitions are hereby added to the definitions set forth in Section 1 of the Agreement:

"(a) 'Equipment' shall mean the following property:

<u>Quantity</u>	<u>Description</u>	<u>Lessee's Car Numbers</u>
5	111A100W5 20,000 gallon rubber lined tank cars manufactured by Marathon Tank Car Company	RCRX1001 to 1005 (both inclusive)

Unless the context otherwise requires, 'Equipment' shall mean the whole of the foregoing property leased to Lessee pursuant to this Agreement. 'Equipment' shall also mean those particular items of equipment listed above to which the context applies.

"(b) 'Final Delivery Date' shall mean the earlier of (i) the last date on which any Equipment is delivered to Lessee or (ii) September 30, 1973.

"(c) 'Interstate Commerce Act' shall mean the Interstate Commerce Act, as amended.

"(d) 'ICC' shall mean the Interstate Commerce Commission.

"(e) 'Maximum Acquisition Cost' shall mean \$150,000.

"(f) 'Purchase Order' shall mean purchase order (together with any modifications thereof or amendments or supplements thereto approved by Lessor) number 1069 dated April 26, 1973 of Lessee, as buyer, to Seller covering the acquisition of the Equipment, a true, correct and complete copy of which has been furnished to Lessor.

"(g) 'Seller' shall mean Marathon Tank Car Company, 600 Jefferson Street, Houston, Texas.

2. Representations and Warranties of Lessee.

Section 4 of the Agreement is hereby amended as follows:

(a) Section 4(a) is amended by deleting the following parenthetical material which appears in the fourth line: "(wherein the Equipment will be located)". This section is further amended by deleting the words "in connection with", which appear in the last line and inserting the following in lieu thereof: ", including (without limitation) the ICC pursuant to Section 20a of the Interstate Commerce Act".

(b) Sections 4(f), and (g) are deleted in their entirety and the following new Sections are inserted in lieu thereof:

"(f) The Equipment is new "Section 38 property" within the meaning of Section 48(b) of the Internal Revenue Code. At the time of the acquisition of the Equipment by Lessor and the acceptance thereof by Lessee under this Agreement, the Equipment will not have been used by any person and no investment credit, depreciation or other tax benefits under the Internal Revenue Code will have been claimed by any person with respect thereto. The economic useful life of the Equipment will be at least 15 years and at the end of the lease thereof pursuant to this Agreement the Equipment will have a residual value of at least 15% of the Acquisition Cost thereof.

3. Conditions Precedent. The following conditions are hereby added to the conditions set forth in Section 5 of the Agreement:

"(g) No amendment, modification, addition or change shall have been made in or to the provisions of Section 38 of the Internal Revenue Code (or any successor section thereto), or any other provision of the Internal Revenue Code, or the regulations thereunder, which, in the opinion of Lessor, would preclude Lessor (or any Person for which Lessor acts as trustee under the Trust Agreement, including (without limitation) the Bank) from claiming the investment credit (with respect to the Equipment) allowed by Section 38 and related Sections of the Internal Revenue Code, or from being entitled to a depreciation deduction (with respect to the Equipment) in computing its taxable income for each year during which this Agreement is in effect and computed under the double declining balance or sum-of-the-years digits method of accelerated depreciation as provided in Section 167(b)(2) and (3) of the Internal Revenue Code.

4. Delivery of the Equipment. The Equipment shall be delivered to Lessee in one lot of 5 tank cars on the tracks of the Southern Pacific at Strang, Texas.

5. Title of Lessor; Possession and Use of the Equipment. Section 8 of the Agreement is hereby amended by deleting Subsections (c) and (d) in their entirety and inserting the following in lieu thereof:

"(c) The Equipment shall be used only in the 48 states of the United States (excluding Alaska and Hawaii) and the Dominion of Canada and only upon the lines of railroad over which Lessee has trackage rights and upon connecting and other railroads in the usual interchange of traffic; provided, however, Lessee shall always use the Equipment in a manner so that the Equipment falls within the exception contained in Section 48(a)(2)(B)(ii) of the Internal Revenue Code (or any successor Section thereto).

"(d) Without the prior written consent of Lessor, Lessee shall not (i) sublease, part with possession of, or otherwise transfer or dispose of, any Equipment, except that Lessee may subject any Equipment to normal interchange agreements, in each case customary in the railroad industry and entered into by Lessee in the ordinary course of its business with railroads, provided that no such agreement contemplates or requires the transfer of title to any such Equipment and the rights of the other party or parties to such agreement are subject and subordinate to the rights of Lessor under this Agreement; (ii) contract, create, incur, assume or suffer to exist any claim, mortgage, pledge, lien, security interest or other charge or encumbrance of any kind upon or with respect to any Equipment or any of its rights under this Agreement; or (iii) sell, assign, transfer or otherwise dispose of any of its rights under this Agreement."

6. Lease Term. The basic term of the lease of the Equipment shall commence on the date which such Equipment shall have been delivered to and accepted by Lessee (the "Delivery Date") and shall continue for twelve years thereafter.

7. Rent. Lessee shall pay Lessor rent for the Equipment during the basic term (monthly in advance) therefore in one hundred forty four consecutive monthly payments commencing on the Delivery Date for such Equipment and continuing on each monthly anniversary thereafter, each of which monthly payments shall be in an amount equal to 0.976% of the Acquisition Cost of such Equipment.

8. Improvement and Repair of the Equipment. Section 9 of the Agreement is hereby amended by inserting the following new sentence at the end thereof: "Anything contained in this Section to the contrary notwithstanding, Lessee shall at all times comply in all respects with all laws of the jurisdictions in which operations involving the Equipment may extend, with the interchange and other rules of the Association of American Railroads (or of any successor thereto) and with all lawful rules and regulations of the Department of Transportation and the ICC and any other legislative, executive, administrative or judicial body exercising any power or jurisdiction over the Equipment, to the extent that such laws, rules and regulations affect the operation, maintenance or use of the Equipment or any additional equipment or appliances thereof; and in the event that such laws, rules or regulations require alteration of the Equipment, Lessee will conform therewith, at its own cost and expense, and will maintain the Equipment in proper condition for operation under such laws, rules and regulations."

9. Notices. The address for Lessee referred to in Section 20 of the Agreement is 124 River Road, Middlesex, New Jersey.

10. Additional Sections. The following additional Sections are hereby added to the Agreement:

"23. Purchase Option. Lessee shall have the right, at its option, to purchase the Equipment, as-is-where-is, at the end of the Basic Term upon giving at least 90 days' prior written notice to Lessor and upon payment by Lessee to Lessor at the time of such purchase of an amount in cash equal to the then fair market value of the Equipment.

"24. Federal Income Taxes. Lessor, as the owner of the Equipment, shall be entitled to such deductions, credits and other benefits as are provided by the Internal Revenue Code to an owner of property, including (without limitation) an allowance for depreciation and the 'investment credit' provided by Section 38 of the Internal Revenue Code (or any successor section thereto). Nothing contained herein shall be construed as an election by Lessor to treat Lessee as having acquired the Equipment for purposes of the investment credit provided by Section 38 of the Internal Revenue Code (or any successor section thereto). If Lessor shall lose, or shall not have or shall lose the right to claim, or there shall be disallowed with respect to Lessor, any portion of the full investment credit provided for in Section 38 (or any successor section thereto) of the Internal Revenue Code as in effect on the date of this Agreement with respect to any Equipment as a result of any of the following events:

(a) Any representation, warranty, fact, estimate, opinion or other statement made or stated by Lessee (or any officer, employee or agent thereof) contained herein or otherwise made in writing in connection herewith shall prove to be, or in the opinion of the IRS shall prove to be, fraudulent, untrue, incorrect, inaccurate, misleading, unreasonable or insufficient in whole or in part; or Lessee (or any officer, employee or agent thereof) shall fail to state, or in the opinion of the IRS shall fail to state, any material fact in connection with the transactions contemplated hereby; or Lessee shall take any action in respect of its income tax returns or otherwise which shall be, or in the opinion of the IRS shall be, inconsistent with, or in contravention of, any of the transactions contemplated hereby; or Lessee (or any officer, employee or agent thereof) shall take, or shall be deemed by the IRS to have taken, any other action whatsoever which shall cause the loss or disallowance of any portion of the full 7% investment credit; or

(b) The failure of Lessee to perform or observe any covenant, condition or agreement to be performed or observed by it under this Agreement;

Lessee shall pay Lessor, as supplemental rent, upon written demand made by Lessor at any time after such investment credit could have been claimed if it were allowable or, if claimed and then disallowed, at any time after payment of the tax attributable thereto, the following: (i) an amount which, after deduction of all taxes required to be paid by Lessor in respect of the receipt thereof under the laws of the United States or of any state or of any political subdivision thereof (after giving credit for any savings in respect of any such taxes by reason of deductions, credits or allowances in respect of the payment of any other such taxes), shall be equal to the amount of such investment credit for such reason lost or not had or with respect to which the right to claim has been lost or which has been disallowed, plus (ii) the amount of any interest which may be assessed by the United States against Lessor attributable to the loss or disallowance of such investment credit, plus (iii) in the event Lessor shall pay the tax claimed and then seek a refund and the final determination of such claim shall be adverse to Lessor, interest on the amount of the tax paid attributable to the investment credit disallowed by such claim, computed at the Premium Rate from the date of payment of such tax to the date Lessee shall reimburse Lessor for such tax in accordance with the provisions of this Section. For the purposes of this Section, 'Lessor' shall mean and include any Person for which Lessor acts as trustee under the Trust Agreement, including (without limitation) the Bank.

"25. Marking of Equipment. On or prior to the delivery to Lessee of each unit of the Equipment, Seller has agreed to cause to be placed on each side of such unit, in letters not less than one inch in height, the following legend:

J. DUNCAN AND J. W. JAMES
AND THEIR SUCCESSORS, AS TRUSTEES
OWNERS, LESSORS

In case during the continuance of this Agreement any of such marks shall at any time be removed, defaced, destroyed or become illegible in whole or in part, Lessee will, at its own cost and expense, immediately cause the same to be restored or replaced. Lessee will cause each unit of the Equipment to be kept numbered with the identifying number thereof as set forth in each Equipment Lease, and will not permit the numbers of any such units to be changed except with the consent of Lessor and in accordance with a statement of new numbers to be substituted therefor, which consent and statement previously shall have been filed with Lessor by Lessee and filed, registered and recorded in all public offices where this Agreement (and/or any Financing Statements relating thereto) shall have been filed, registered and/or recorded. Lessee will not allow the name of any person, association or corporation to be placed on the Equipment as a designation that might be interpreted as a claim of ownership thereof by any person other than Lessor, but Lessee may letter the Equipment with such names or initials or other insignia as are customarily used by Lessee on its cars of the same or similar type for convenience of identification of the right of Lessee to use and operate the Equipment under this Agreement."

7194

ACCEPTANCE CERTIFICATE

RECORDATION NO. _____ Filed & Recorded

OCT 24 1973 -9 00 AM

INTERSTATE COMMERCE COMMISSION

This has reference to the Equipment Lease Agreement dated as of July 2, 1973 ("Agreement") between John Duncan and John W. James, as Trustees and the undersigned, as Lessee. The terms used herein which are defined in the Agreement and Exhibit A (as defined in the Agreement) shall have the same meanings as are provided therefor in the Agreement and Exhibit A.

The undersigned hereby certifies that the following Equipment (the "Delivered Equipment") was delivered to the undersigned at the Equipment Location on the date set forth below and is now located there:

<u>Quantity</u>	<u>Description</u>	<u>Lessee's Car Numbers</u>
5	111A100W5 20,000 gallon rubber lined tank cars manufactured by Marathon Tank Car Company	RCRX1001 to 1005 (both inclusive)

The undersigned hereby confirms each of the acknowledgements set forth in Section 2 of the Agreement with respect to the Delivered Equipment.

LESSEE

REAGENT CHEMICAL and RESEARCH, INC.

by _____

(Title)

Dated: _____, 1973

Exhibit C

7194

RECORDATION NO. _____ Filed & Recorded

OCT 24 1973 -9 00 AM

Reagent Chemical and Research, INTERSTATE COMMERCE COMMISSION

Stipulated Loss Value
(Stated as Percentage of Lessor's Original Cost)

<u>Prior to Payment No.</u>	<u>Stipulated Loss Value</u>	<u>Prior to Payment No.</u>	<u>Stipulated Loss Value</u>
1	99.2	76	58.3
4	98.0	79	56.9
7	96.6	82	55.2
10	95.7	85	50.3
13	94.6	88	48.7
16	93.6	91	45.5
19	92.2	94	43.9
22	91.3	97	42.3
25	90.5	100	40.6
28	89.4	103	39.0
31	88.7	106	37.3
34	87.2	109	35.7
37	82.5	112	33.9
40	81.3	115	32.3
43	79.0	118	30.6
46	78.8	121	28.9
49	77.6	124	27.2
52	76.3	127	25.5
55	74.1	130	23.8
58	73.6	133	22.1
61	67.1	136	20.1
64	65.7	139	18.7
67	63.9	142	17.1
70	62.8	145	15.0
73	61.4		

7194

RECORDATION NO. _____ Filed & Recorded

Exhibit D

OCT 24 1973 -9 00 AM

INTERSTATE COMMERCE COMMISSION

Reagent Chemical and Research, Inc.Termination Value

(Stated as Percentage of Lessor's Original Cost)

<u>Prior to Payment No.</u>	<u>Termination Value</u>	<u>Prior to Payment No.</u>	<u>Termination Value</u>
1	99.0	76	57.8
4	97.8	79	56.1
7	96.1	82	54.6
10	95.2	85	47.8
13	94.1	88	46.2
16	93.0	91	44.4
19	91.9	94	42.7
22	90.8	97	41.0
25	89.5	100	39.3
28	88.7	103	37.5
31	87.5	106	35.7
34	86.0	109	33.9
37	81.6	112	32.1
40	80.3	115	30.4
43	78.7	118	28.5
46	77.7	121	26.7
49	76.3	124	24.8
52	74.9	127	23.1
55	73.3	130	21.2
58	72.1	133	19.3
61	65.5	136	17.5
64	64.0	139	13.9
67	62.4	142	12.2
70	61.0	145	10.0
73	59.4		

CERTIFICATE

OCT 24 1973 -9 00 AM

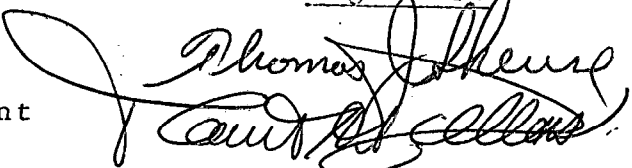

I, Robert H. Dallas, ^{INTERSTATE COMMERCE COMMISSION} Secretary,
of Reagent Chemical & Research, Inc. (the "Company"),
do hereby certify that:

1. There exists no condition, event or act which would constitute an Event of Default under the Equipment Lease Agreement (the "Equipment Lease Agreement") dated as of July 2, 1973 between John Duncan and John W. James as Trustees

(the "Lessor") and the Company and no condition, event or act which, with the giving of notice or lapse of time, or both, would constitute an Event of Default.

2. All representations and warranties made by the Company contained in the Equipment Lease Agreement or otherwise made in connection therewith are true and correct and with the same effect as though such representations and warranties had been made on and as of the date of this Certificate.

3. The following persons have been duly elected, have duly qualified as, and have at all times since have been, officers of the Company, holding the offices set forth below opposite their respective names, authorized to execute and deliver the Equipment Lease Agreement and all of the documents referred to therein, and the signature appearing opposite the name of each such officer is his true signature:

<u>Name</u>	<u>Office</u>	<u>Signature</u>
Thomas J. Skeuse	President	
Robert H. Dallas	Vice President	

4. The following resolutions were duly adopted at a meeting of the Board of Directors of the Company, duly called and held on 1973 , at which a quorum was present and voting throughout, and said resolutions have not been rescinded, amended or modified in any way and remain in full force and effect as of the date of this Certificate:

RESOLVED, that the form of Equipment Lease Agreement (including all exhibits hereto), dated as of July 2, 1973 between John Duncan and John W. James, as Trustees

(the "Lessor") and this Company, as submitted to this meeting, providing for the leasing by this Company of certain equipment therein specified, is hereby approved, that the President or any Vice President of this Company be and each of them severally is hereby authorized to execute and deliver to the Lessor an equipment lease agreement (the "Equipment Lease Agreement"), and such other documents and papers therein referred to, in substantially the form hereby approved, with such changes as said officer may approve, such approval to be evidenced conclusively by his execution and delivery of the same, and that this Company lease the equipment referred to in, and enter into the transactions contemplated by, the Equipment Lease Agreement; and

RESOLVED FURTHER, that the President or any Vice President of this Company be and each of them severally is hereby authorized to execute and deliver to the Lessor such certificates, instruments, agreements and other papers and documents as are referred to in the Equipment Lease Agreement or as may be required in connection therewith or contemplated thereby and to take such further action as may be necessary or proper in order to consummate the matters authorized in this and the preceding resolution; and

RESOLVED FURTHER, that the Equipment Lease Agreement as presented to this meeting be and it hereby is ordered filed with the records of the meeting.

Attached hereto as Exhibit A is a true and correct copy of the Equipment Lease Agreement (including all exhibits thereto) referred to in the aforesaid resolutions in the form presented to and approved by the Board of Directors of the Company at the aforesaid meeting.

IN WITNESS WHEREOF, I have hereunto set my hand and the seal of the Company this 17th day of October 1973.



[Signature]
Secretary

STATE OF NEW YORK)
) ss:
COUNTY OF NEW YORK)

On this 17th day of October, 1973,
before me personally appeared John Duncan and John W. James,
to me known to be the persons described in and who executed
the foregoing instrument and each of them acknowledged that
he executed the same as his free act and deed.

David Abramson

Notary Public

[NOTARIAL SEAL]

My Commission Expires _____

DAVID ABRAMSON
Notary Public, State of New York
No. 41-0007786
Qualified in Queens County
Certificate filed in New York County
Commission Expires March 30, 1975

STATE OF NEW YORK)
) ss:
COUNTY OF NEW YORK)

On this 17th day of October, 1973,
before me personally appeared Thomas J. Skeuse,
to me personally known, who being by me duly sworn, says that
he is the President of Reagent Chemical and
Research, Inc., that the seal affixed to the
foregoing instrument is the corporate seal of said corporation,
that said instrument was signed and sealed on behalf of said
corporation by authority of its Board of Directors, and he
acknowledged that the execution of the foregoing instrument
was the free act and deed of said corporation.

David Abramson

Notary Public

[NOTARIAL SEAL]

My Commission Expires _____

DAVID ABRAMSON
Notary Public, State of New York
No. 41-0007786
Qualified in Queens County
Certificate filed in New York County
Commission Expires March 30, 1975